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Chairman: Mr. HADID (Algeria)

Chairman of the Advisory Committee on Administrative and Budgetary Questions: Mr. MSELLE

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The meeting was called to order at 10.25 a.m.

AGENDA ITEM 123: PROPOSED PROGRAMME BUDGET FOR THE BIENNIUM 1994-1995 (continued) (A/48/6, A/48/16 (Parts I and II) and A/48/32/Rev.1/Add.1; A/C.5/48/9 and Corr.1 and Add.1 and A/C.5/48/26)

General debate (continued)

1. Mr. DONNELLY (United States of America) said that the Committee faced a challenge in reviewing the proposed programme budget for the biennium 1994-1995 in what were extraordinary circumstances in view of the increases in the responsibilities of the United Nations, in the potential for international cooperation, and in the need for efficient management. The United Nations had moved to the centre stage of world events, and there was a need to establish workable international arrangements to address the current transitional problems. Budget choices should therefore not be viewed as exercises in bureaucracy but rather as decisions of leadership.

2. Change began with accountability. The tax-paying citizens who met the Organization's bills had a right to know that their money was being used efficiently. The goal was to improve services while reducing bureaucracy and cutting costs. That would require fundamental change, a willingness to experiment and a collective determination of what was really important. The United Nations could not proceed in a "business as usual" manner. The needs and priorities of the 1960s and the 1970s were no longer relevant. Budgetary discipline must be seen not as an obstacle to change but as a means of modernizing the United Nations.

3. The United States approached the budget review in a constructive spirit and shared the Secretary-General's desire to address the interlocking goals of peace, economic security and democracy. It recognized the importance of meeting its own financial obligations and the need to be flexible in making recommendations to a 184-member body. But unless the budget reflected contemporary realities, the United Nations would not be equal to the demands. Increased funding would be needed to meet those demands, and the Secretary-General's efforts to strengthen under-funded activities such as peace-keeping, humanitarian affairs and human rights were welcome. The budget growth rates for such programmes might appear substantial, but they were calculated on a relatively small base.

4. In the case of human rights, the proposed growth related to the regularization of posts temporarily redeployed to the Centre for Human Rights. The United Nations had a critical role to play in ensuring that the current transition to democracy in many countries was smooth and permanent, and respect for human rights was essential to a democratic society. The General Assembly should therefore support a budget which would energize the human rights programme in accordance with the recommendations of the World Conference on Human Rights.

(Mr. Donnelly, United States)

5. The budget proposals with respect to peace-keeping were insufficient to meet the Organization's responsibilities. Steps had been taken under the regular budget to redress the imbalance between needs and capabilities, but more needed to be done. Costs which should be included in the regular budget must not be shifted to the peace-keeping support account. The United States would seek additional regular budget funding for peace-keeping support within the limits set in the budget outline. On the other hand, opportunities must be sought to curtail programmes not delivering results, and the Secretary-General should issue a list of activities proposed for elimination. The Committee should look beyond the broad programme objectives to the specific activities to be implemented. The question was not whether a programme sounded good, but whether it would do good.

6. At $47 million above the recosted overall resource level of $2,702 million for the biennium 1994-1995 established in resolution 47/213, the proposed budget was too high and reflected positive growth of 1 per cent. Member States should seek agreement on modifications to ensure that the proposed budget complied fully with resolutions 41/213 and 47/213. The recommendation of the Committee for Programme and Coordination (CPC) in that regard was welcome, and the United States would recommend operational cuts which would more than offset the excess.

7. One problem with the proposed budget was the excessive expenditures for publications. Travel was another: an overall increase of 20 per cent was requested, but individual increases in many sections had not been justified. The United States proposed that appropriations for travel should remain at the revised 1992-1993 levels, saving approximately $9 million. Changes in travel standards, including the virtual elimination of business-class air travel, would enable programme objectives to be met. Furthermore, the supplementary daily subsistence allowance for senior officials might be eliminated, and a better managed travel programme would remove the waste identified by the Board of Auditors in the purchase of airline tickets.

8. With regard to the proposals for 121 new General Service posts, the United States was convinced that there were already too many clerical and administrative posts in the Secretariat. The reduction in such posts expected from the investment of hundreds of millions of dollars in modern office equipment had not materialized. In the Office of Conference Services, for example, large amounts had been invested in computer technologies, yet the level of clerical staff had remained unchanged. The Office's working methods appeared outdated, and the Secretariat should offer an explanation for any agreements between management and staff concerning working methods in conference services and indicate whether savings could be achieved.

9. Expenditure on the rental or purchase of office equipment and furniture was expected to rise by 27 per cent. The United States proposal to freeze spending at 1992-1993 levels would save nearly $17 million. The Secretariat should be able to meet all its requirements within the current appropriation level.

10. There were several instances of requests for maintenance and renewal projects which appeared unnecessary and could be deferred or cancelled. The

(Mr. Donnelly, United States)

United States proposed a reduction of $9 million in such projects, leaving nearly $46 million for essential repair and improvement of facilities.

11. The provision of $5.8 million for separation payments to staff members could also be eliminated, and the Secretary-General's efforts in that area were welcome. The United States believed that the funds need not be included in the budget at the present stage and recommended that any termination costs should be reflected in the performance report. The Secretariat should report on the modalities for separation of staff and on planned action to tighten recruitment policies and the conditions for award of permanent contracts.

12. The recommendation of the International Civil Service Commission (ICSC) concerning staff assessment would reduce by more than $40 million the corresponding amount included in the budget. Full implementation of the recommendation was an essential precondition for United States support of a budget resolution at the current session. The Secretariat should include the reduction in the statement of the programme budget implications of the draft resolution on the United Nations common system.

13. In order to free resources for higher priorities, the United States delegation would propose reductions in other areas, including reform of the after-service health insurance programme, elimination of waste and abuse in payment of overtime, ending of funding for rental of additional office space in New York, and ending the subsidies for Staff Union activities. The potential savings were estimated at nearly $8 million.

14. Despite the total savings of approximately $100 million proposed by the United States, the budget would still allow for substantial increases in other areas although there were difficulties with some of the specific proposals.

15. Turning to the modifications in methodology reflected in the proposed budget, he said that it was difficult to accept the specific amounts proposed in the recosting of the budget to reflect estimates of inflation. It was impossible to determine whether budget growth attributed to inflation was actually a real resource increase, and there was no evidence that the United Nations had absorbed any inflationary budget increases. Furthermore, the budget proposals appeared to provide a full cost-of-living adjustment for General Service staff in New York, despite resolutions requiring their salaries to be brought into line with the levels set by ICSC. Furthermore, while the proposals projected inflation rates for 1994-1995, the recosting component was based on 1992 exchange rates. Since the proposals did not take into account the fact that duty stations with high inflation rates tended to have their cost increases offset by declining exchange rates, the amounts budgeted for most offices away from Headquarters were excessive. The Secretariat's report on the recosting of the proposed programme budget for the biennium 1994-1995 must be available in good time and provide full justifications for adjustments. It was unacceptable for the Committee to be required to approve major changes on the basis of a performance report issued at the very end of the session.

(Mr. Donnelly, United States)

16. The biennialization of the budget base was intended to include full two-year funding for departments affected by restructuring. Notwithstanding the many organizational changes made in 1992-1993, the United States delegation could not understand why substantial increases were shown as adjustments to the base for the Office of Conference Services, the Office of General Services in New York, and the United Nations Office at Geneva, for none of them had been substantially changed by the restructuring. The Secretariat should explain the need for the adjustments. The vacancy rates of 5 per cent for Professional and 0.5 per cent for General Service staff used in the budget estimates might be unrealistically low. With regard to the 1994-1995 vacancy rates the Secretariat should explain how it treated the large number of staff assigned to peace-keeping and other missions. Many of the posts held by staff so assigned were not in fact refilled, and the turnover rates proposed for 1994-1995 ignored the large number of staff funded under the regular budget still deployed in the field. The rates should therefore be reduced. There was also a possibility of "double budgeting" in that both the United Nations and the peace-keeping operations seemed to be accounting for the same people twice. The United States delegation would like to know what happened to the personnel-related costs in the United Nations regular budget of staff deployed to peace-keeping operations. Furthermore, future budget submissions should not be based on the traditional vacancy rates, but on the actual rates for the previous year.

17. The United States delegation believed that the Committee should now approach the budget review from a different perspective and should take fundamental decisions on resource allocations for programmes rather than piecemeal decisions as in the past. Having outlined its preferences, it would work with all Member States to achieve a consensus on a budget before the end of the session.

18. Mr. WORONIECKI (Poland) said that there was increasing justification for talking of a rejuvenated United Nations, but two essential conditions for the Organization's success had not yet been met: increased efficiency in its functioning and increased political and financial support for its activities. Those conditions must be met despite the recession in the developed world, the development problems of the developing countries, and the transition problems of the former communist States.

19. A "business as usual" approach was no longer valid. Yet financial stringency and redeployment of resources could not solve every problem. Member States must take cognizance of the implications of the proliferation of the demands made on the Organization. Regardless of the merits or demerits of the proposed 1 per cent real growth in resources, its approval would give a clear signal that the United Nations deserved every support from Member States, on condition that maximum savings were made and the increased resources were allocated to the most important activities.

20. Poland believed strongly in the Organization's capacities and endorsed the broad policy objectives outlined by the Secretary-General. The activities contained in "An Agenda for Peace" deserved adequate funding, and attention would have to be given to additional agendas and to the many requests for

(Mr. Woroniecki, Poland)

assistance made to the United Nations. The Secretary-General had said that there could be no true democracy or lasting peace without sustainable and equitable development. The converse was equally true. The needs to enhance the Organization's image and expand its work also meant that adequate resources must be provided for information activities.

21. The Polish delegation would respond to the Secretary-General's appeal for the budget to be adopted by the end of 1993, so that the Organization would be able to implement its mandated programmes properly. It welcomed his intention to end the freeze on recruitment and looked forward to working with senior officials to correct the decline in Poland's representation in the Secretariat. It appreciated the Secretary-General's efforts to restructure the Secretariat and welcomed his announcement of a phase of consolidation. Given similar efforts by Member States, it would be possible to take a more positive view of the prospects of the United Nations.

22. Mr. HANDIQUE (India) said that the Financial Regulations and Rules provided for review of the programme budget on the basis of three documents: the Secretary-General's proposals, the report of CPC on the programmatic aspects, and the report of ACABQ on the financial estimates. At the current session, as a result of the restructuring of the Secretariat, the entire budgetary process of preparation, consideration and approval had been thrown out of gear. He trusted that substantive consideration of the individual sections of the programme budget would not take place until the Advisory Committee was able to report to the Fifth Committee.

23. The real growth of 1 per cent in the budget, of some $2.7 billion, was a modest increase that was justified by the exponential increase in the work of the Organization. The increase was not in contradiction with the budget outline, which provided only an indicative figure and did not represent a ceiling.

24. It was disquieting, however, that real growth in resources was confined to peace-keeping, political affairs, human rights and humanitarian affairs. The priority areas identified by the General Assembly in its resolutions 45/253 and 47/213 had not been adequately addressed, and the Secretariat appeared to have ignored the fact that the priorities indicated in the budget outline (A/47/358) had been amended by the latter resolution. There was also a discrepancy between the priorities addressed by the General Assembly and those proposed by the Secretary-General.

25. It was stated in the budget that the restructuring had released the necessary resources to fulfil additional mandates and that all specified mandates and activities would be implemented. In that connection the mandates arising from the United Nations Conference on Environment and Development required adequate institutional structures and resources for implementation. The same was true of the Cartagena process relating to the United Nations Conference on Trade and Development. In the light of those new mandates some substantiation of the assertions in the budget would be welcome. Further, in

(Mr. Handique, India)

the context of programmes on science and technology for development and transnational corporations, his delegation wished to receive information on the extent to which the provisions of General Assembly resolution 47/212 B had been implemented.

26. He supported the consolidation of all political activities in a single department of political affairs, which would improve coordination and cost effectiveness.

27. Regarding the view that certain core posts in peace-keeping and humanitarian affairs should be financed from the regular budget, it was not clear what was meant by core posts, or what criteria had been established for the financing of support and backstopping activities. His delegation was of the view that backstopping and administrative support functions should be financed from extrabudgetary resources. The suggestion that the Secretary-General might be proposing a change in what way a long-established policy required clarification.

28. While not diminishing the importance of the Organization's work with regard to human rights, he questioned whether the proposed increases in resources in that area was justified given the increases approved in the previous budget exercise. Follow-up activities to the Vienna Declaration on human rights should be financed from within existing appropriations. The statement in the introduction to the programme budget that there was a need to integrate human rights concerns into economic and social development activities also required clarification, particularly in terms of whether the Secretary-General was proposing linkage or conditionality.

29. He was also concerned that the recosting exercise had resulted in an increase in the budget estimates of $256 million. The recosting assumptions relating to anticipated inflation and exchange rates and to increases in post adjustment were exaggerated. More realistic assumptions would result in a more appropriate figure.

30. His delegation welcomed the changes in methodology incorporated in the new budget. In addition, the format, with a reduced number of sections reflecting the consolidation of Secretariat structures, was more elegant. Nevertheless the consolidation had resulted in some sections which were extremely unwieldy, in particular section 25. Further, the incorporation of UNCTAD and the International Trade Centre (ITC) in section 11 and of UNEP and Habitat in section 12 could result in the transfer of resources between those organizations if the existing Financial Regulations and Rules were applied without change.

31. Regarding high-level posts, he sought clarification of the status of the post of Executive Director of ITC, which had been budgeted at the assistant-secretary-general level. The Committee would recall the clear mandate provided in General Assembly resolution 47/212 B. In that regard he also wished to know whether there was any rule of thumb regarding the ratio of General Service to Professional posts.

(Mr. Handique, India)

32. The budget was intended to identify the resources required to implement substantive legislative mandates. It was not a mechanism for the announcement of policy proposals. His delegation was therefore surprised to note the inclusion of several programmes and activities which had not been mandated by legislative bodies, in particular, the provisions in section 2 relating to United Nations integrated offices. Policy questions relating to those offices were still under consideration in the Second Committee, and hence the inclusion of regular budget provisions was inappropriate. The same was true of the International Tribunal on the former Yugoslavia, the funding of which had yet to be determined by the General Assembly. In that connection General Assembly resolution 47/235 requested that the budget for the Tribunal should be presented outside the framework of the regular budget.

33. Lastly, the Committee must ensure that the budget was adopted before the end of December, since failure to do so would set a bad precedent.

34. Mr. SALANDER (Sweden), speaking on behalf of the Nordic countries, said that the Nordic delegations regretted the delay in the budgetary process. They were committed to the adoption by consensus and before the end of the year of a programme budget that reflected the priorities of the Organization and the resources required for their implementation. The adoption of the budget was also essential for the issuance of assessment letters to secure the financial basis of the Organization's activities in 1994. It was imperative for the Fifth Committee to devote all its energy to reviewing the budget proposals.

35. The Nordic countries supported the three broad policy objectives indicated by the Secretary-General in document A/48/6 (Part I) as a means of implementing the priorities set out in the medium-term plan.

36. With the end of the cold war, the United Nations found itself engaged in a variety of complex situations, many of which involved humanitarian efforts. In that context the Nordic countries strongly supported the Secretary-General's proposals aimed at strengthening the Organization's capacity for preventive diplomacy, the peaceful settlement of disputes, peace-keeping and peace-building. The budget proposals for the Department of Peace-keeping Operations should be seen in conjunction with the proposals on the support account for peace-keeping operations. Resources must also be allocated for proper training for peace-keeping.

37. The Nordic countries supported the proposals to strengthen the Centre for Human Rights, and efforts to streamline operations in the Centre should be continued. While the percentage increase in resources might appear substantial, the base was relatively small. Resources for human rights activities must be substantially increased in the light of the follow-up action decided at the World Conference on Human Rights.

38. Increasing demands were being made of the Department of Humanitarian Affairs, which relied heavily on extrabudgetary financing for core functions. The result was that the Department had to spend time on fund-raising rather than

(Mr. Salander, Sweden)

on delivering assistance. The Nordic delegations supported the proposals to strengthen the Department and noted the possibility of funding a larger proportion of core functions through the regular budget. The Nordic countries also looked forward to the Secretary-General's cost estimates for the financing of the International Tribunal for the former Yugoslavia, which should be funded under the regular budget.

39. Peace and security and economic and social development were indivisibly linked, and the Nordic delegations supported efforts to strengthen the Organization in the economic and social sectors. The new Secretariat structure, together with the establishment of the Commission on Sustainable Development as well as the outcome of the consultations on the revitalization of the economic and social sectors, provided a welcome new impetus in that regard. It was now imperative to ensure the full delivery of programmes.

40. He welcomed the emphasis on increased efficiency in the Secretariat, and agreed that training was a crucial factor in management, morale, productivity and career opportunity.

41. The new budget format represented a considerable improvement, and Part I of the budget document provided a good summary of proposed activities. In future budgets the links between extrabudgetary and regular budget resources should be shown more clearly, since it was not possible to see the total resource requirements for a specific activity.

42. The Secretary-General was proposing a programme budget of some $2.7 billion ($2.2 billion net), representing real growth of 1 per cent over the revised 1992-1993 programme budget. Nominal growth in current prices was some 11.4 per cent, of which recosting and salary increases accounted for 10.4 per cent. There was a need for the assumptions behind those figures to be clarified, and for the performance report for the current biennium to provide a clear account of vacancy, inflation and exchange rates. He noted that the total amount of resources requested was above the level indicated in the outline, and agreed with the Committee for Programme and Coordination that General Assembly resolutions 41/213 and 47/213 must be strictly adhered to.

43. The Nordic delegations were not fully convinced that there was need for any real growth in resources, but the rate of growth in the regular budget was not a matter of principle for them, since they recognized that intergovernmental decisions must, in certain circumstances, result in the provision of additional resources. It was, however, of the utmost importance for resources to be used as effectively and efficiently as possible. In general, new activities should be financed through rationalizations and redeployments.

44. The proposals contained a number of transfers of resources within the Organization and it was regrettable that the competent intergovernmental organs, owing to delays in submission of the budget proposals, had not had an opportunity to conduct a programmatic and budgetary review. Such a review could have helped to identify activities which were obsolete, or in which the

(Mr. Salander, Sweden)

Organization had little comparative advantage, in order to release resources for new activities.

45. Investments in modern technologies ought to result in savings, but in that connection no steps had been taken to reduce the number of General Service staff. There also appeared to be limited progress in streamlining the working methods of the Office of Conference Services.

46. The trend towards increased financing from extrabudgetary funding continued. The proposed programme budget, in addition to $2.2 billion net proposed for assessed financing, assumed additional voluntary funding of $3.4 billion. The increasing reliance on extrabudgetary funding eroded the Charter principle of collective responsibility. There was also a need for further transparency in the use of extrabudgetary funds and of seconded personnel linked to regularly financed activities.

47. Lastly, the Nordic countries shared the Secretary-General's apprehension concerning the need for a sound financial basis for the Organization. Examination of the proposed programme budget would be to no avail if, after its adoption, Member States did not honour the principle of payment in full, on time and without conditions.

48. Mr. CHUINKAM (Cameroon) said that a modest increase in the size of the programme budget was unavoidable considering the massive expansion of the Organization's work. His delegation did not, however, agree with the way in which resources had been allocated. In particular, the emphasis on peace-keeping, preventive diplomacy, humanitarian affairs and human rights was not justified. As noted by the General Assembly in its resolution 47/120, there was a need for international action to strengthen socio-economic development. Indeed, economic and social issues were of the utmost importance to the majority of Member States, and the priority status of those issues must be reflected in budget allocations. It was not enough for the Secretary-General to declare that the imperative of development was a principal objective.

49. His delegation attached great importance to programme 45 of the medium-term plan, and considered that additional resources needed to be allocated to section 15, particularly since UNDP had stopped financing some activities under that section. The additional resources proposed for the Department of Administration and Management, with no convincing justification, should be reallocated to section 15.

50. The activities of the Centre for Human Rights were very important, in which connection basic economic and social rights should be adequately addressed. Nevertheless, since there had been substantial increases in resources for the Centre in the 1992-1993 revised budget estimates, there was no justification for further increases.

51. The over-concentration of resources in United Nations information centres in developed countries had been deplored during the revision of the medium-term plan. The decision of the General Assembly to reverse the situation in favour

(Mr. Chuinkam, Cameroon)

of centres in developing countries and transition economies did not seem to have been reflected in the current proposals.

52. There appeared to be an increasing tendency for the Secretariat to use programme budget proposals to introduce activities that had no approval from substantive bodies. His delegation fully agreed with the contents of document A/C.5/48/9, which indicated the need for a permanent working dialogue between the Secretary-General and Member States.

53. His delegation was not against redeployment of resources per se but feared that it might distort established priorities and introduce a degree of selectivity in programme implementation. Any redeployment should be in conformity with existing rules and should not adversely affect programme execution. In that connection, he welcomed the Secretary-General's announcement that, should the proposed programme budget be approved, he would consider lifting the freeze on recruitment.

Programme budget implications of draft resolution A/48/L.28 concerning agenda item 33 (A/C.5/48/38)

54. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that draft resolution A/48/L.28 would have the General Assembly establish an open-ended working group on the question of increasing the membership of the Security Council that was to report back to it before the end of the forty-eighth session. Paragraphs 7 and 12 of the Secretary-General's statement on the programme budget implications of the draft resolution (A/C.5/48/38) indicated that servicing the working group would give rise to an estimated requirement of $74,400 under subsection 3B for two temporary Meeting Assistants at the General Service level and an estimated $19,800 under section 28, to be offset by the same amount under income section 1. In considering the statement, the Advisory Committee had noted that the services would be provided by units which the Secretary-General proposed to transfer to the Department of Administration and Management. The Fifth Committee might therefore wish to inform the General Assembly that adopting the draft resolution would not give rise to additional appropriations at the current stage. Any additional appropriations necessary would be considered by the General Assembly in the context of the performance report on the programme budget for the biennium 1994-1995.

55. Mr. HANDIQUE (India), supported by Mr. PRASODTO (Indonesia), Mr. BEN HAMIDA (Tunisia) and Ms. SAEKI (Japan), proposed that, in the light of the immediacy of the issue and the considerable debate surrounding it, even though it would be possible to reflect the requirements in the performance report, the Committee should accept the programme budget implications indicated by the Secretary-General in paragraph 12 of his statement.

56. Mr. MERIFIELD (Canada), supported by Mr. KLEINJAN (Netherlands), said that, as the Committee had yet to consider section 3 of the proposed programme budget, the Secretary-General's proposed requirements should, if necessary, be examined in the context of the performance report, as suggested by the Chairman of the Advisory Committee.

57. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that he had not meant to imply that, if draft resolution A/48/L.28 were adopted, the Secretary-General would not be authorized to provide the services outlined in paragraph 7 of his statement. He had simply wished to make clear that at the current stage there was no need for an additional $74,400 to hire the two Meeting Assistants required. If the Committee did not wish to accept the Advisory Committee's proposal, then the normal procedure would be for it to inform the General Assembly that adopting the draft resolution would give rise to the requirements mentioned, which would then be considered in the context of procedures governing the use and operation of the contingency fund. In other words, the Secretary-General would prepare a consolidated statement of all programme budget implications that would be adopted by the forty-eighth session when it became available.

58. Mr. ZAHID (Morocco) said that owing to the urgency of the matter, the Committee needed to take a decision quickly, preferably that morning. Even though the budget of the Office of Conference Services would be approved in full, the members of the Committee on Conferences had called for that and more. The Office was woefully short of resources, as the General Assembly was well aware in view of the reduction in conference servicing and the delays in the translation and production of documents it was currently experiencing. His delegation did not think that such a small amount should be linked to adoption of the Office's budget and, like India, would favour following the second procedure outlined by the Chairman of the Advisory Committee.

59. Mr. HENG (Singapore) fully supported the view of the Advisory Committee and stressed the need to take a decision on the matter as soon as possible.

60. Mr. FRANCIS (Australia), supported by Mr. KELLY (Ireland), Mr. ONWUALIA (Nigeria), Ms. SAEKI (Japan) and Mr. MANCINI (Italy), said that the primary concern was to ensure that the working group was not hindered by the financial crisis. His delegation could go along with the proposals of either the Advisory Committee or the Indian delegation. Perhaps it would be possible to authorize the Secretary-General to provide the services and then review the financial aspects during the discussion of that section of the proposed programme budget.

61. The CHAIRMAN proposed that the Fifth Committee should inform the General Assembly that the adoption of draft resolution A/48/L.28 would give rise to expenditures amounting to $74,400 and a staff assessment amounting to $19,800 and that the amount in question would be considered by the General Assembly in the context of the consolidated statement of all programme budget implications towards the end of the forty-eighth session.

62. Mr. MERIFIELD (Canada) said he had understood that the Committee was supporting the proposal of the Australian delegation.

63. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that current procedures called for statements of programme budget implications to be prepared in accordance with the rules governing the use of the contingency fund. To do otherwise would be contrary to that procedure. The Chairman's proposal was faithful to the intent of the Australian delegation while complying with the procedure laid down by the General Assembly for the operation of the contingency fund. If, upon evaluation of the consolidated statement of programme budget implications, additional appropriations were found to be necessary, they would be drawn from the contingency fund. If the Committee chose to authorize the additional $74,400 without drawing on the contingency fund, then it would actually be increasing the level of the contingency fund without going through the proper procedures.

64. Mr. ZAHID (Morocco) said that if it was not possible to adopt the Advisory Committee's second proposal, his delegation would be able to support the Australian proposal as long as it stipulated that, during the discussion of the subsection on the Office of Conference Services, the resources allocated to it would be increased by the amounts in question in order to finance the servicing of the working group. His delegation would of course also be happy to follow the same procedure for the financial implications of other draft resolutions.

65. Mr. RAE (India) said that there was general agreement that the resources should be provided. The technical issue of how that should be done was less important than the political statement that it would be. If the Secretary-General had requested such a small amount, then it was because he would need it. That was why his delegation agreed with the representative of Australia that the resources should be approved.

66. The CHAIRMAN said that it was his understanding that the Committee was required to inform the General Assembly of the financial implications of its decisions. If the General Assembly adopted the resolution with full knowledge of its financial implications and without amending it to state that the resulting expenditures were to be absorbed within existing resources, then the necessary appropriations would be made. Given the urgency of the matter, technical aspects such as the contingency fund could be discussed later.

67. Mrs. EMERSON (Portugal) said that her delegation supported the establishment of the working group and wanted the necessary funds to be made available as soon as possible. However, it did not believe that recourse to the contingency fund would delay matters. The contingency fund had been in use since the forty-first session of the General Assembly, and if the Committee started tinkering with it, the Organization would lose fiscal control over it. While the Australian proposal was interesting, it could be applied to other programme budget implications and would soon result in general disorder. She therefore proposed that the Chairman's summing up should be accepted.

68. Mrs. GOICOCHEA (Cuba) supported the statement of the representative of Portugal. Her delegation did not favour the institution of new rules and regulations without an in-depth discussion of their implications. Since the procedures in question were new and relatively untried and a decision on the programme budget implications of the draft resolution was urgent, now was not the time for such a discussion.

69. Mr. MSELLE (Chairman of the Advisory Committee on Administrative and Budgetary Questions) said that perhaps a quick decision might be facilitated by appending a sentence to the Chairman's proposal to the effect that the Fifth Committee concurred with the statement in paragraph 7 of document A/C.5/48/38.

70. The CHAIRMAN proposed that his original proposal should be adopted with the addition of a final sentence stating that, in that connection, the Fifth Committee concurred with the statement contained in paragraph 7 of document A/C.5/48/38.

71. It was so decided.

72. Mr. MERIFIELD (Canada) wondered whether the appropriations would be added to section 3 or section 25 of the proposed programme budget.

73. The CHAIRMAN said that that issue would be decided when the Committee reviewed the Secretary-General's proposals on the transfer of units within the Secretariat.

74. Mr. STITT (United Kingdom) said that, in view of the difficulties the Committee had had with the technicalities posed by a very simple statement of programme budget implications, the Secretariat might wish to brief it on the related procedures, as it had done earlier in the session on the mechanics of the programme budget.

75. The CHAIRMAN wholeheartedly concurred with the representative of the United Kingdom.

AGENDA ITEM 138: ADMINISTRATIVE AND BUDGETARY ASPECTS OF THE FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS (continued) (A/47/927, A/48/192, A/48/315 and A/48/421; A/C.5/48/13)

(a) FINANCING OF THE UNITED NATIONS PEACE-KEEPING OPERATIONS

(b) RELOCATION OF BELARUS AND UKRAINE TO THE GROUP OF MEMBER STATES SET OUT IN PARAGRAPH 3 (c) OF GENERAL ASSEMBLY RESOLUTION 43/232

76. Mr. BOUAYAD-AGHA (Joint Inspection Unit), introducing the report entitled "Staffing of the United Nations peace-keeping and related missions (civilian component)" contained in document A/48/421, said that the aim of the report was to enhance the effectiveness of peace-keeping operations. Although the Joint Inspection Unit (JIU) welcomed the measures already taken by the services concerned to strengthen the effectiveness of those operations, further measures were needed, particularly since the Organization was certain to be asked to

deploy growing numbers of peace-keepers in the various areas around the world where regional conflicts were erupting.

77. The unprecedented expansion of peace-keeping operations required the full mobilization of the United Nations. Indeed, more than 11,000 civilians, including United Nations staff and large numbers of civilian police, were already deployed in such operations throughout the world. The main concerns of JIU had been how to enhance the effectiveness and efficiency of peace-keeping operations; how to effect the rapid deployment of civilians to implement the decisions of the Security Council; how to ensure that the right personnel were deployed at the right time; and how to ensure that the performance of civilian personnel assigned to United Nations missions was equal to the responsibilities entrusted to them.

78. While some civilians fulfilled their mission adequately, the performance of others was often amateurish. That should come as no surprise, since the Organization was prepared neither for the rapid and complex expansion of peace-keeping operations, nor for the sudden change in the nature of such operations. Indeed, the positive results achieved by some operations had been largely due to good luck.

79. It was clear that the planning and management of peace-keeping operations, both at Headquarters and in the field, required greater professionalism. Chapter II of the report reviewed the structures in place and their interrelationships. JIU had taken account of the measures recently adopted by the Secretary-General with the aim of improving coordination between the various departments and accelerating the flow of information both within the Secretariat and between Headquarters and theatres of operation.

80. The report also considered the evolution of the civilian component, recruitment and training procedures, and conditions of service. The JIU recommendations included the establishment of a roster of mission personnel, which should include United Nations Volunteers, retirees, and staff of specialized agencies. Member States and regional organizations were also encouraged to second to the United Nations personnel with experience in peace-keeping activities. The study recommended that briefing and orientation should be institutionalized and standardized and that special training programmes should be devised for senior personnel.

81. With regard to conditions of service, JIU noted that missions continued to be staffed exclusively by volunteers and recommended that the principle of rotation should be applied. Given the importance of the security of personnel, a code of conduct should be established for all mission staff. In that connection, JIU took note that the Sixth Committee was currently working on a draft international convention covering all aspects of that question.

82. JIU recommended that the Department of Peace-keeping Operations should be the lead department for all peace-keeping activities. Other recommendations included the strengthening of the Department through the recruitment of highly qualified and experienced personnel; incorporating the Field Operations Division

(Mr. Bouayad-Agha)

into the Department of Peace-keeping Operations; the creation of a core team responsible for all peace-keeping operations; establishment of a post of Police Commissioner; strengthening of the recently established 24-hour situation room; designation of focal point(s) to respond to queries from Member States; and the institutionalization of all aspects of training under the authority of the Department of Peace-keeping Operations working in close collaboration with the Office of Human Resources Management and the Training Service. The latter measure should permit training to become an integral part of planning and human resource management in peace-keeping operations.

83. Ms. DORING (Department of Administration and Management) said that among the issues currently engaging the Secretariat's attention were the classification of new Members and the requests from Belarus, Ukraine and Madagascar to be moved from their current groups.

84. Mr. KHANDOGY (Ukraine) said that the reasons for the request by Belarus and Ukraine to be reassigned to group (c) in the scheme for the apportionment of costs of the United Nations peace-keeping operations had already been set out in documents A/47/927 and A/48/192. He nevertheless wished to draw the Committee's attention to a number of crucial points and to present some necessary clarifications.

85. Under General Assembly resolution 3101 (XXVIII) of 1973, Ukraine had been placed into group (b). Drastic changes had taken place in the world since that time and, from a formal Republic within the Union of Soviet Socialist Republics, Ukraine had become a universally recognized European State which contributed to the peacemaking efforts of the international community in accordance with its abilities. A Ukrainian contingent was part of the United Nations peace-keeping mission in Bosnia and Herzegovina and a decision had recently been made to increase the number of Ukrainian peace-keepers in that operation to more than 1,200.

86. At the same time, however, Ukraine was experiencing a severe economic crisis and lacked even the resources to pay its foreign and national debts. Its macroeconomic indicators were characterized by a continuing decline in production and by hyperinflation. To make matters worse, Ukraine was forced to spend a substantial part of its budget on alleviating the consequences of the Chernobyl accident and suffered substantial economic losses as a result of the sanctions imposed by the Security Council against the Federal Republic of Yugoslavia (Serbia and Montenegro). While he was convinced that the political and economic reforms currently being undertaken and the strengthening of the democratic process would eventually permit Ukraine to take a place in the world commensurate with its potential, that process of transformation would take considerable time.

87. In view of that situation, the Governing Council of UNDP had determined that Ukraine, together with other former members of the former Soviet Union and Eastern European countries, were eligible to be recipients of international assistance.

(Mr. Khandogy, Ukraine)

88. Currently, 21 economically developed countries were included in group (b). None of them, with the exceptions of Belarus and Ukraine, were situated in Eastern Europe or other regions in transition. All of the former Soviet republics which had been admitted as new Members of the Organization had rightly been included in group (c).

89. According to World Bank data, the per capita gross national product in Ukraine had fallen below $1,700 in 1992. Grave economic difficulties affected his country's capacity to pay its assessed contributions to the United Nations regular budget and Ukraine was currently in third place among the main debtor countries, with nearly $106 million in arrears. General Assembly resolution 47/456, which endorsed the unfair recommendations of the Committee on Contributions to increase the rate of assessment of Belarus and Ukraine to the United Nations regular budget by more than 58 per cent, had drastically aggravated the situation. Even the payment of contributions to the regular budget at the previous rate of assessment, which had been set for Ukraine on the basis of the unreasonably inflated official Soviet exchange rate for the rouble against the dollar, presented tremendous difficulties for his country. But the rate established under General Assembly decision 47/456 was simply unbearable and bore absolutely no relation to Ukraine's ability to pay.

90. Although the Committee on Contributions had recognized the problem of the rates of assessment for those States affected by resolution 47/456, an acceptable solution had not been found. His delegation believed that the reclassification of Belarus and Ukraine from group (b) to group (c) would rectify the situation by reducing the contributions of those two countries to a level which would better reflect their capacity to pay.

91. Stability in the financing of United Nations peace-keeping operations could not be achieved without a just and adequate apportionment of costs between all Member States, in accordance with their capacity to pay. That basic principle was widely recognized by Member States. In view of the failure of the open-ended working group to achieve any progress on the issue, the question should be considered during the forty-eighth session of the General Assembly. He hoped that the Committee would find it possible to satisfy the joint request of Belarus and Ukraine and the two delegations were ready to enter into discussions on the matter.

92. Mr. BURAVKIN (Belarus) said that it was regrettable that at its forty-seventh session the General Assembly had not taken any decision on the classification of Member States into four groups for the purpose of apportioning of the costs of peace-keeping operations, despite the clear evidence of anomalies. One such anomaly was the inclusion of Belarus in group (b). The delegation of Belarus had nevertheless supported resolution 47/218 in a spirit of constructive compromise and in the hope that the open-ended working group of the Fifth Committee mentioned in the resolution would produce specific recommendations for the current session. That hope had been disappointed.

93. In the meantime, the financial obligations of Belarus had grown in step with the increase in the number and scope of peace-keeping operations while its

(Mr. Buravkin, Belarus)

financial situation had undergone a serious deterioration. Accordingly, the Governments of Belarus and Ukraine had requested the inclusion of a supplementary sub-item in the agenda concerning their relocation to group (c).

94. In 1973 Belarus had been included in group (b) for purely political and ideological reasons and it had remained there ever since. Following the collapse of the Soviet Union in 1991, the 15 new sovereign States had suffered a sharp drop in their levels of production and living standards. In addition, Belarus had to bear almost unaided the burden of eliminating the consequences of the Chernobyl disaster. It also had to bear the considerable financial costs of its treaty obligations with regard to the reduction of conventional armaments and dismantling of nuclear weapons, as well as of its accession to the Treaty on the Non-Proliferation of Nuclear Weapons as a non-nuclear State. There was no reason to expect that the country's capacity to pay would improve in the foreseeable future, especially in view of the decision of the General Assembly at its forty-seventh session to increase its assessed contribution to the regular budget more than one and a half times.

95. The Government of Belarus had always tried to discharge its financial obligations to the United Nations, but the present circumstances threatened to turn it into a chronic debtor unless it was reassigned to group (c), which already included States with higher per capita incomes. The situation was intolerable, and Belarus and Ukraine must be accorded justice without having to wait for an overall solution of the problem of anomalies in the assignment of States to groups. There was, in fact, every justification for reclassifying the two countries as an exceptional measure. The issue must be positively resolved at the current session in 1993, and there should be no insuperable obstacles to the adoption of the draft decision contained in the appendix to document A/48/192.

96. Mr. RANDRIAMALALA (Madagascar) said that his Government had also submitted a request for reclassification (A/C.5/48/13) and he hoped that the Committee would give it favourable consideration during the first part of the current session.

97. The CHAIRMAN proposed that the Committee should renew the mandate of the open-ended working group established pursuant to resolution 47/218 in order to permit it to review all pending matters, including classification of new Member States and the requests from Belarus, Ukraine and Madagascar to be moved from their current groups.

98. Mr. FRANCIS (Australia) expressed doubt about the feasibility of considering the requests of those States which wished to be moved from their current groups without, at the same time, reviewing the entire system under which countries were classified into groups. The need to concentrate on the proposed programme budget would leave the Committee with little time for such an exercise during the first part of the current session. He therefore proposed that consideration of the various requests for changes from current groups should be deferred until the latter part of the resumed session in 1994.

99. Ms. DORING (Department of Administration and Management) said that if the proposal of the Australian delegation were to be implemented, the Secretariat would have to proceed on the basis of the 1993 assessments, which meant that the scale would not add up to 100 per cent.

100. Mr. FRANCIS (Australia) said that he was referring only to the requests by States to be moved from one group to another.

101. The CHAIRMAN said that his proposal was for the open-ended working group to review all pending matters and it was far from clear whether solutions would be found to all specific issues. Given the urgent nature of the requests from the Member States concerned, however, the Committee was obliged to respond as early as possible. It was in that spirit that he had made his proposal.

102. Mr. YEGOROV (Belarus) thanked the Chairman and the Bureau of the Fifth Committee for facilitating the consideration of an item which was of vital importance to Belarus and Ukraine. While his delegation was prepared to examine other modalities for addressing the issue, it was important that action should be taken urgently and without linking the issue to the overall question of the review of the system of classification of countries. He was aware of the discrepancies between the various groups but noted that the General Assembly had agreed to consider the requests of Belarus and Ukraine as a separate sub-item in the agenda of its forty-eighth session. He therefore proposed, in a spirit of cooperation, that the open-ended working group should begin its work on all outstanding issues. At the same time, the Chairman could hold informal consultations to consider the specific requests of Belarus and Ukraine.

103. Mr. KHANDOGY (Ukraine) endorsed the comments just made by the delegation of Belarus.

104. Mr. PANEV (the former Yugoslav Republic of Macedonia) said that former constituent parts of a federative State should not be automatically assessed at the same rate as the former federative State itself. Rather, the economic situation of each State should be taken into account.

105. The CHAIRMAN proposed that, for the first part of the current session, informal consultations chaired by the Rapporteur of the Fifth Committee should be held to review the classification of new Member States and to consider the specific requests of certain States to be moved from one group to another. The Committee could then take any further action that might be necessary.

106. It was so decided.

The meeting rose at 1.15 p.m.